

**THE UNITED WAY OF  
NORTHEAST LOUISIANA, INC.**

**Financial Statements  
for the Years Ended June 30, 2013 and 2012**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date SEP 24 2014

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**

**YEARS ENDED JUNE 30, 2013 AND 2012**

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# LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)  
CERTIFIED PUBLIC ACCOUNTANTS

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## Independent Auditors' Report

### Board of Directors

The United Way of Northeast Louisiana, Inc.

We have audited the accompanying financial statements of The United Way of Northeast Louisiana, Inc. (a nonprofit organization, the United Way), which comprise the statements of financial position as of June 30, 2013 and 2012, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

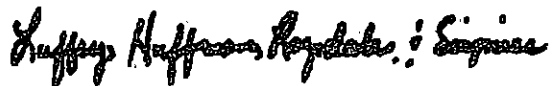
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Board of Directors  
The United Way of Northeast Louisiana, Inc.**

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United Way as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2013, on our consideration of the United Way's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.



(A Professional Accounting Corporation)

**September 17, 2013**

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**STATEMENTS OF FINANCIAL POSITION**

|   | June 30,            |                     |
|---|---------------------|---------------------|
|   | 2013                | 2012<br>(Restated)  |
| <b>ASSETS</b>   |                     |                     |
| Cash and Cash Equivalents   | \$ 557,745          | \$ 653,793          |
| Investments   | 847,072             | 858,482             |
| Pledges Receivable, less allowances for uncollectibles<br>of \$288,781 and \$295,348 respectively | 1,467,569           | 1,439,914           |
| Other Receivables   | 3,235               | 12,447              |
| Prepaid Assets  | 88,490              | 64,020              |
| Property and Equipment, less accumulated depreciation of<br>\$573,347 and \$524,386 respectively  | 493,371             | 540,281             |
| <b>TOTAL ASSETS</b>   | <b>\$ 3,457,482</b> | <b>\$ 3,568,937</b> |
| <b>LIABILITIES AND NET ASSETS</b>   |                     |                     |
| <b>Liabilities</b>  |                     |                     |
| Allocations Payable   | \$ 1,770,108        | \$ 1,734,210        |
| Designations Payable  | 259,837             | 312,740             |
| Accounts Payable  | 11,725              | 21,941              |
| Accrued Payroll, Pension, and Taxes   | 58,683              | 61,487              |
| Deferred Revenue  | 44,363              | 42,870              |
| Total Liabilities   | 2,144,716           | 2,173,248           |
| <b>Net Assets</b>   |                     |                     |
| Undesignated  | (255,207)           | (92,026)            |
| Designated-Donor Advised-Legacy Foundation  | 43,422              | 55,877              |
| Total Unrestricted  | (211,785)           | (36,149)            |
| Annual Campaign Pledges   | 1,524,551           | 1,430,575           |
| Legacy Foundation   | -                   | 1,263               |
| Total Temporarily Restricted  | 1,524,551           | 1,431,838           |
| Total Net Assets  | 1,312,766           | 1,395,689           |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>   | <b>\$ 3,457,482</b> | <b>\$ 3,568,937</b> |

The accompanying notes are an integral part of these statements.

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**STATEMENTS OF ACTIVITIES**

|   | YEAR ENDED JUNE 30, 2013 |                  |                        |                |                     |
|---|--------------------------|------------------|------------------------|----------------|---------------------|
|   | Unrestricted             |                  | Temporarily Restricted |                |                     |
|   |                          | Designated Fund  |                        |                |                     |
|   |                          | Donor Advised    | Annual                 | Legacy         |                     |
|   | Undesignated             | Legacy           | Campaign               | Foundation     | Total               |
|   |                          | Foundation       | Pledges                |                |                     |
| <b>PUBLIC SUPPORT &amp; REVENUE</b>       |                          |                  |                        |                |                     |
| Gross Campaign Results                    | \$ -                     | \$ -             | \$ 3,631,659           | \$ -           | \$ 3,631,659        |
| Campaign Previously Reported              | -                        | -                | (6,625)                | -              | (6,625)             |
| Campaign for Future Year                  | -                        | -                | 40,238                 | -              | 40,238              |
| Legacy Transfer                           | -                        | -                | (18,000)               | -              | (18,000)            |
| Donor Designations                        | -                        | -                | (411,604)              | -              | (411,604)           |
| Provision for Uncollectible               | -                        | -                | (233,428)              | -              | (233,428)           |
| Net Campaign Revenue                      | -                        | -                | 3,002,240              | -              | 3,002,240           |
| Additional Pledges                        | 40,718                   | -                | -                      | -              | 40,718              |
| In-Kind Contributions                     | 93,441                   | -                | -                      | -              | 93,441              |
| Grants and Other Income                   | 158,041                  | -                | -                      | -              | 158,041             |
| Other Gains (Losses)                      | 17,620                   | -                | -                      | -              | 17,620              |
| Investment Income                         | 9,823                    | 5,571            | -                      | 1              | 15,395              |
| Sponsorships                              | 6,960                    | -                | -                      | -              | 6,960               |
| Net Assets Released from Restrictions     | 2,927,554                | (18,026)         | (2,908,264)            | (1,264)        | -                   |
| <b>Total Public Support &amp; Revenue</b> | <b>3,254,157</b>         | <b>(12,455)</b>  | <b>93,976</b>          | <b>(1,263)</b> | <b>3,334,415</b>    |
| <b>EXPENSES</b>                           |                          |                  |                        |                |                     |
| Program Services                          | -                        | -                | -                      | -              | -                   |
| Gross Funds Awarded/Distributed           | 2,313,264                | -                | -                      | -              | 2,313,264           |
| Less: Donor Designations                  | (411,604)                | -                | -                      | -              | (411,604)           |
| Net Funds Awarded/Distributed             | 1,901,660                | -                | -                      | -              | 1,901,660           |
| United Way 2-1-1                          | 387,126                  | -                | -                      | -              | 387,126             |
| Community Investment                      | 108,251                  | -                | -                      | -              | 108,251             |
| Community Impact                          | 270,742                  | -                | -                      | -              | 270,742             |
| Total Program Services                    | 2,667,779                | -                | -                      | -              | 2,667,779           |
| Support Services                          | -                        | -                | -                      | -              | -                   |
| Organizational Administration             | 358,482                  | -                | -                      | -              | 358,482             |
| Fundraising                               | 391,077                  | -                | -                      | -              | 391,077             |
| Total Support Services                    | 749,559                  | -                | -                      | -              | 749,559             |
| <b>Total Expenses</b>                     | <b>3,417,338</b>         | <b>-</b>         | <b>-</b>               | <b>-</b>       | <b>3,417,338</b>    |
| <b>Increase (Decrease) In Net Assets</b>  | <b>(163,181)</b>         | <b>(12,455)</b>  | <b>93,976</b>          | <b>(1,263)</b> | <b>(82,923)</b>     |
| <b>Net Assets - Beginning of Year</b>     | <b>(92,026)</b>          | <b>55,877</b>    | <b>1,430,575</b>       | <b>1,263</b>   | <b>1,395,689</b>    |
| <b>NET ASSETS - END OF YEAR</b>           | <b>\$ (255,207)</b>      | <b>\$ 43,422</b> | <b>\$ 1,524,551</b>    | <b>\$ -</b>    | <b>\$ 1,312,766</b> |

The accompanying notes are an integral part of these statements.

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**STATEMENTS OF ACTIVITIES**

|   | YEAR ENDED JUNE 30, 2012 |                   |                        |                 |                     |
|---|--------------------------|-------------------|------------------------|-----------------|---------------------|
|   | Unrestricted             |                   | Temporarily Restricted |                 | (Restated)<br>Total |
|   | (Restated)               | Designated Fund   | (Restated)             |                 |                     |
|   |                          | Donor Advised     | Annual                 | Legacy          |                     |
|   | Undesignated             | Legacy Foundation | Campaign Pledges       | Foundation      |                     |
| <b>PUBLIC SUPPORT &amp; REVENUE</b>       |                          |                   |                        |                 |                     |
| Gross Campaign Results                    | \$ -                     | \$ -              | \$ 3,509,764           | \$ -            | \$ 3,509,764        |
| Campaign Previously Reported              | -                        | -                 | (31,802)               | -               | (31,802)            |
| Campaign for Future Year                  | -                        | -                 | 6,625                  | -               | 6,625               |
| Legacy Transfer                           | -                        | -                 | (17,500)               | -               | (17,500)            |
| Donor Designations                        | -                        | -                 | (408,119)              | -               | (408,119)           |
| Provision for Uncollectible               | -                        | -                 | (236,244)              | -               | (236,244)           |
| Net Campaign Revenue                      | -                        | -                 | 2,822,724              | -               | 2,822,724           |
| Additional Pledges                        | 51,744                   | -                 | -                      | -               | 51,744              |
| In-Kind Contributions                     | 65,151                   | -                 | -                      | -               | 65,151              |
| Grants and Other Income                   | 175,110                  | -                 | -                      | -               | 175,110             |
| Other Gains (Losses)                      | 5,097                    | -                 | -                      | -               | 5,097               |
| Investment Income                         | 9,280                    | (3,471)           | -                      | (597)           | 5,212               |
| Sponsorships                              | 7,295                    | -                 | -                      | -               | 7,295               |
| Net Assets Released from Restrictions     | 2,769,038                | (18,062)          | (2,746,564)            | (4,412)         | -                   |
| <b>Total Public Support &amp; Revenue</b> | <b>3,082,715</b>         | <b>(21,533)</b>   | <b>76,160</b>          | <b>(5,009)</b>  | <b>3,132,333</b>    |
| <b>EXPENSES</b>                           |                          |                   |                        |                 |                     |
| Program Services                          |                          |                   |                        |                 |                     |
| Gross Funds Awarded/Distributed           | 2,244,537                | -                 | -                      | -               | 2,244,537           |
| Less: Donor Designations                  | (408,119)                | -                 | -                      | -               | (408,119)           |
| Net Funds Awarded/Distributed             | 1,836,418                | -                 | -                      | -               | 1,836,418           |
| United Way 2-1-1                          | 387,264                  | -                 | -                      | -               | 387,264             |
| Community Investment                      | 111,090                  | -                 | -                      | -               | 111,090             |
| Community Impact                          | 231,303                  | -                 | -                      | -               | 231,303             |
| Total Program Services                    | 2,566,075                | -                 | -                      | -               | 2,566,075           |
| Support Services                          |                          |                   |                        |                 |                     |
| Organizational Administration             | 369,059                  | -                 | -                      | -               | 369,059             |
| Fundraising                               | 363,790                  | -                 | -                      | -               | 363,790             |
| Total Support Services                    | 732,849                  | -                 | -                      | -               | 732,849             |
| <b>Total Expenses</b>                     | <b>3,298,924</b>         | <b>-</b>          | <b>-</b>               | <b>-</b>        | <b>3,298,924</b>    |
| <b>Increase (Decrease) In Net Assets</b>  | <b>(216,209)</b>         | <b>(21,533)</b>   | <b>76,160</b>          | <b>(5,009)</b>  | <b>(166,591)</b>    |
| <b>Net Assets - Beginning of Year</b>     | <b>124,183</b>           | <b>77,410</b>     | <b>1,354,415</b>       | <b>6,272</b>    | <b>1,562,280</b>    |
| <b>NET ASSETS - END OF YEAR</b>           | <b>\$ (92,026)</b>       | <b>\$ 55,877</b>  | <b>\$ 1,430,575</b>    | <b>\$ 1,263</b> | <b>\$ 1,395,689</b> |

The accompanying notes are an integral part of these statements.

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**

| YEAR ENDED JUNE 30, 2013             |                        |                     |                         |                     |                     |
|--------------------------------------|------------------------|---------------------|-------------------------|---------------------|---------------------|
| PROGRAM SERVICES                     |                        |                     |                         |                     |                     |
|                                      | Allocation<br>Services | United Way<br>2-1-1 | Community<br>Investment | Community<br>Impact | Total               |
| <b>EXPENSES</b>                      |                        |                     |                         |                     |                     |
| Allocation/Awards                    | \$ 2,313,264           | \$ -                | \$ -                    | \$ -                | \$ 2,313,264        |
| Less: Donor Designations             | (411,604)              | -                   | -                       | -                   | (411,604)           |
| Sub-Total                            | 1,901,660              | -                   | -                       | -                   | 1,901,660           |
| Salaries                             | -                      | 208,339             | 42,153                  | 111,670             | 362,162             |
| Hospitalization Insurance            | -                      | 35,785              | 8,236                   | 14,965              | 58,986              |
| Other Payroll Expenses               | -                      | 31,452              | 6,926                   | 16,053              | 54,431              |
| Sub-Total                            | -                      | 275,576             | 57,315                  | 142,688             | 475,579             |
| Auto                                 | -                      | 3,358               | 961                     | 3,858               | 8,177               |
| Awards, Recognition Banquet          | -                      | -                   | -                       | -                   | -                   |
| Bank Charges                         | -                      | -                   | -                       | -                   | -                   |
| Building and Property Maintenance    | -                      | 2,989               | 3,047                   | 2,469               | 8,505               |
| Campaign Events                      | -                      | -                   | -                       | -                   | -                   |
| Campaign Supplies                    | -                      | -                   | -                       | -                   | -                   |
| Community Meetings                   | -                      | 35                  | 42                      | 42                  | 119                 |
| Depreciation                         | -                      | 18,299              | 11,804                  | 7,601               | 37,704              |
| Dues, Memberships, and Subscriptions | -                      | 11,481              | 5,433                   | 6,348               | 23,262              |
| Equipment                            | -                      | 3,459               | 2,255                   | 1,827               | 7,541               |
| Events and Seminars                  | -                      | -                   | -                       | 42,237              | 42,237              |
| Insurance                            | -                      | 768                 | 800                     | 591                 | 2,159               |
| Janitorial                           | -                      | 1,103               | 1,105                   | 894                 | 3,102               |
| Leadership Giving Recognition        | -                      | -                   | -                       | -                   | -                   |
| Marketing                            | -                      | 7,074               | 1,281                   | 9,322               | 17,677              |
| Meetings and Lunches                 | -                      | 54                  | 1,344                   | -                   | 1,398               |
| Office Rent                          | -                      | -                   | 3,240                   | 3,240               | 6,480               |
| Office Supplies                      | -                      | 1,748               | 1,045                   | 996                 | 3,789               |
| Postage                              | -                      | 70                  | 29                      | 59                  | 158                 |
| Professional Fees                    | -                      | 12,635              | 1,669                   | 1,352               | 15,656              |
| Specific Assistance to Individuals   | -                      | 5,063               | -                       | 31,200              | 36,263              |
| Telephone & Internet                 | -                      | 28,856              | 5,795                   | 4,005               | 38,656              |
| Travel, Education, and Training      | -                      | 5,248               | 1,247                   | 5,195               | 11,690              |
| Utilities                            | -                      | 2,849               | 2,905                   | 2,353               | 8,107               |
| Sub-Total                            | -                      | 105,089             | 44,002                  | 123,589             | 272,680             |
| United Way Worldwide Dues            | -                      | 6,461               | 6,934                   | 4,465               | 17,860              |
| <b>TOTAL FUNCTIONAL EXPENSES</b>     | <b>\$ 1,901,660</b>    | <b>\$ 387,126</b>   | <b>\$ 108,251</b>       | <b>\$ 270,742</b>   | <b>\$ 2,667,779</b> |

The accompanying notes are an integral part of these statements.



YEAR ENDED JUNE 30, 2013

SUPPORT SERVICES

| Organizational<br>Administration | Campaign   | Fundraising<br>Legacy | Total      | Total      | TOTAL        |
|----------------------------------|------------|-----------------------|------------|------------|--------------|
| \$ -                             | \$ -       | \$ -                  | \$ -       | \$ -       | \$ 2,313,264 |
| -                                | -          | -                     | -          | -          | (411,604)    |
| -                                | -          | -                     | -          | -          | 1,901,660    |
| 185,159                          | 185,208    | -                     | 185,208    | 370,367    | 732,529      |
| 33,761                           | 32,026     | -                     | 32,026     | 65,787     | 124,773      |
| 30,593                           | 28,168     | -                     | 28,168     | 58,761     | 113,192      |
| 249,513                          | 245,402    | -                     | 245,402    | 494,915    | 970,494      |
| 3,960                            | 9,693      | -                     | 9,693      | 13,653     | 21,830       |
| 539                              | 8,213      | -                     | 8,213      | 8,752      | 8,752        |
| 287                              | 1,534      | -                     | 1,534      | 1,821      | 1,821        |
| 3,927                            | 3,343      | -                     | 3,343      | 7,270      | 15,775       |
| -                                | 3,813      | -                     | 3,813      | 3,813      | 3,813        |
| -                                | 2,149      | -                     | 2,149      | 2,149      | 2,149        |
| 2,453                            | 71         | -                     | 71         | 2,524      | 2,643        |
| 14,701                           | 12,390     | -                     | 12,390     | 27,091     | 64,795       |
| 1,528                            | 380        | -                     | 380        | 1,908      | 25,170       |
| 5,880                            | 2,474      | -                     | 2,474      | 8,354      | 15,895       |
| -                                | -          | -                     | -          | -          | 42,237       |
| 3,546                            | 861        | -                     | 861        | 4,407      | 6,566        |
| 1,448                            | 1,339      | -                     | 1,339      | 2,787      | 5,889        |
| -                                | 8,432      | -                     | 8,432      | 8,432      | 8,432        |
| 7,796                            | 37,345     | -                     | 37,345     | 45,141     | 62,818       |
| 3,630                            | 1,392      | -                     | 1,392      | 5,022      | 6,420        |
| -                                | 5,520      | -                     | 5,520      | 5,520      | 12,000       |
| 3,067                            | 6,812      | -                     | 6,812      | 9,879      | 13,668       |
| 783                              | 4,294      | 7                     | 4,301      | 5,084      | 5,242        |
| 26,878                           | 5,606      | 528                   | 6,134      | 33,012     | 48,668       |
| 31                               | 8          | -                     | 8          | 39         | 36,302       |
| 6,177                            | 9,023      | -                     | 9,023      | 15,200     | 53,856       |
| 9,977                            | 9,983      | -                     | 9,983      | 19,960     | 31,650       |
| 3,725                            | 3,187      | -                     | 3,187      | 6,912      | 15,019       |
| 100,333                          | 137,862    | 535                   | 138,397    | 238,730    | 511,410      |
| 8,636                            | 7,278      | -                     | 7,278      | 15,914     | 33,774       |
| \$ 358,482                       | \$ 390,542 | \$ 535                | \$ 391,077 | \$ 749,559 | \$ 3,417,338 |

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**

| YEAR ENDED JUNE 30, 2012             |                        |                     |                         |                     |                     |
|--------------------------------------|------------------------|---------------------|-------------------------|---------------------|---------------------|
| PROGRAM SERVICES                     |                        |                     |                         |                     |                     |
|                                      | Allocation<br>Services | United Way<br>2-1-1 | Community<br>Investment | Community<br>Impact | Total               |
| <b>EXPENSES</b>                      |                        |                     |                         |                     |                     |
| Allocation/Awards                    | \$ 2,244,537           | \$ -                | \$ -                    | \$ -                | \$ 2,244,537        |
| Less: Donor Designations             | (408,119)              | -                   | -                       | -                   | (408,119)           |
| Sub-Total                            | 1,836,418              | -                   | -                       | -                   | 1,836,418           |
| Salaries                             | -                      | 201,731             | 45,345                  | 93,036              | 340,112             |
| Hospitalization Insurance            | -                      | 37,097              | 4,698                   | 13,658              | 55,453              |
| Other Payroll Expenses               | -                      | 30,583              | 6,236                   | 14,992              | 51,811              |
| Sub-Total                            | -                      | 269,411             | 56,279                  | 121,686             | 447,376             |
| Auto                                 | -                      | 3,078               | 1,224                   | 3,088               | 7,390               |
| Awards, Recognition Banquet          | -                      | -                   | -                       | -                   | -                   |
| Bank Charges                         | -                      | -                   | -                       | -                   | -                   |
| Building and Property Maintenance    | -                      | 3,031               | 3,253                   | 2,095               | 8,379               |
| Campaign Events                      | -                      | -                   | -                       | -                   | -                   |
| Campaign Supplies                    | -                      | -                   | -                       | -                   | -                   |
| Community Meetings                   | -                      | 30                  | 77                      | 68                  | 175                 |
| Depreciation                         | -                      | 18,038              | 11,523                  | 7,420               | 36,981              |
| Dues, Memberships, and Subscriptions | -                      | 10,865              | 4,986                   | 5,880               | 21,731              |
| Equipment                            | -                      | 1,895               | 2,034                   | 1,309               | 5,238               |
| Events and Seminars                  | -                      | -                   | -                       | 56,471              | 56,471              |
| Insurance                            | -                      | 836                 | 826                     | 515                 | 2,177               |
| Janitorial                           | -                      | 1,096               | 1,143                   | 752                 | 2,991               |
| Leadership Giving Recognition        | -                      | -                   | -                       | -                   | -                   |
| Marketing                            | -                      | 2,772               | 4,481                   | 8,203               | 15,456              |
| Meetings and Lunches                 | -                      | 45                  | 990                     | 92                  | 1,127               |
| Office Rent                          | -                      | -                   | 1,637                   | 1,637               | 3,274               |
| Office Supplies                      | -                      | 2,346               | 1,242                   | 1,841               | 5,429               |
| Postage                              | -                      | 161                 | 8                       | -                   | 169                 |
| Professional Fees                    | -                      | 13,561              | 2,477                   | 1,602               | 17,640              |
| Specific Assistance to Individuals   | -                      | 10,429              | -                       | 89                  | 10,518              |
| Telephone & Internet                 | -                      | 30,575              | 6,110                   | 4,018               | 40,703              |
| Travel, Education, and Training      | -                      | 9,565               | 2,208                   | 7,586               | 19,359              |
| Utilities                            | -                      | 3,608               | 4,237                   | 2,859               | 10,704              |
| Sub-Total                            | -                      | 111,931             | 48,456                  | 105,525             | 265,912             |
| United Way Worldwide Dues            | -                      | 5,922               | 6,355                   | 4,092               | 16,369              |
| <b>TOTAL FUNCTIONAL EXPENSES</b>     | <b>\$ 1,836,418</b>    | <b>\$ 387,264</b>   | <b>\$ 111,090</b>       | <b>\$ 231,303</b>   | <b>\$ 2,566,075</b> |

The accompanying notes are an integral part of these statements.

YEAR ENDED JUNE 30, 2012

SUPPORT SERVICES

| Organizational<br>Administration | Fundraising |        | Total      | Total      | TOTAL        |
|----------------------------------|-------------|--------|------------|------------|--------------|
|                                  | Campaign    | Legacy |            |            |              |
| \$ -                             | \$ -        | \$ -   | \$ -       | \$ -       | \$ 2,244,537 |
| -                                | -           | -      | -          | -          | (408,119)    |
| -                                | -           | -      | -          | -          | 1,836,418    |
| 184,925                          | 164,758     | -      | 164,758    | 349,683    | 689,795      |
| 32,883                           | 27,172      | -      | 27,172     | 60,055     | 115,508      |
| 29,861                           | 24,819      | -      | 24,819     | 54,680     | 106,491      |
| 247,669                          | 216,749     | -      | 216,749    | 464,418    | 911,794      |
| 3,971                            | 9,802       | -      | 9,802      | 13,773     | 21,163       |
| 606                              | 5,299       | -      | 5,299      | 5,905      | 5,905        |
| 828                              | 1,852       | -      | 1,852      | 2,680      | 2,680        |
| 4,297                            | 3,415       | -      | 3,415      | 7,712      | 16,091       |
| -                                | 3,811       | -      | 3,811      | 3,811      | 3,811        |
| -                                | 3,809       | -      | 3,809      | 3,809      | 3,809        |
| 945                              | 175         | -      | 175        | 1,120      | 1,295        |
| 14,352                           | 12,095      | -      | 12,095     | 26,447     | 63,428       |
| 1,854                            | 287         | -      | 287        | 2,141      | 23,872       |
| 5,459                            | 3,383       | -      | 3,383      | 8,842      | 14,080       |
| -                                | -           | -      | -          | -          | 56,471       |
| 3,574                            | 883         | -      | 883        | 4,457      | 6,634        |
| 1,453                            | 1,327       | -      | 1,327      | 2,780      | 5,771        |
| -                                | 10,342      | -      | 10,342     | 10,342     | 10,342       |
| 7,015                            | 33,701      | -      | 33,701     | 40,716     | 56,172       |
| 3,209                            | 1,992       | -      | 1,992      | 5,201      | 6,328        |
| -                                | 2,789       | -      | 2,789      | 2,789      | 6,063        |
| 3,173                            | 9,522       | -      | 9,522      | 12,695     | 18,124       |
| 1,096                            | 4,020       | -      | 4,020      | 5,116      | 5,285        |
| 33,917                           | 6,946       | 600    | 7,546      | 41,463     | 59,103       |
| -                                | -           | -      | -          | -          | 10,518       |
| 6,241                            | 9,089       | -      | 9,089      | 15,330     | 56,033       |
| 16,620                           | 10,545      | -      | 10,545     | 27,165     | 46,524       |
| 4,865                            | 4,686       | -      | 4,686      | 9,551      | 20,255       |
| 113,475                          | 139,770     | 600    | 140,370    | 253,845    | 519,757      |
| 7,915                            | 6,671       | -      | 6,671      | 14,586     | 30,955       |
| \$ 369,059                       | \$ 363,190  | \$ 600 | \$ 363,790 | \$ 732,849 | \$ 3,298,924 |

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**STATEMENTS OF CASH FLOWS**

|  | <b>Years Ended June 30,</b> |                          |
|--|-----------------------------|--------------------------|
|  | <b>2013</b>                 | <b>2012</b>              |
|  |                             | <b>(Restated)</b>        |
| <b>Cash from operating activities:</b>   |                             |                          |
| Increase (Decrease) in net assets  | \$ (82,923)                 | \$ (166,591)             |
| Adjustments to reconcile increase in net assets to net cash provided (used) by operating activities: |                             |                          |
| Depreciation   | 64,795                      | 63,428                   |
| Donated securities included in contributions   | (58,095)                    | (52,861)                 |
| (Gain) Loss on market value of investments   | (840)                       | 7,759                    |
| Gain on sale of investments  | (5,124)                     | (2,193)                  |
| Change in allowance for uncollectibles   | (6,567)                     | 38,983                   |
| Changes in assets and liabilities:   |                             |                          |
| Pledges receivable   | (21,088)                    | (152,179)                |
| Other receivables  | 9,212                       | (3,743)                  |
| Prepaid assets   | (24,470)                    | (52,350)                 |
| Allocations payable  | 35,898                      | 93,190                   |
| Designations payable   | (52,903)                    | 86,096                   |
| Accounts payable   | (10,216)                    | 10,777                   |
| Accrued payroll, pension, and taxes  | (2,804)                     | 10,434                   |
| Deferred revenue   | 1,493                       | 42,870                   |
| Agency funds escrow payable  | -                           | (13,739)                 |
| Net cash used by operating activities  | <u>(153,632)</u>            | <u>(90,119)</u>          |
| <b>Cash flows from investing activities:</b>   |                             |                          |
| Proceeds from sale of investments  | 881,930                     | 797,903                  |
| Purchase of investments  | (806,461)                   | (713,214)                |
| Purchase of property and equipment   | (17,885)                    | (14,085)                 |
| Net cash used by investing activities  | <u>57,584</u>               | <u>70,604</u>            |
| <b>Net decrease in cash and cash equivalents</b>   | <b>(96,048)</b>             | <b>(19,515)</b>          |
| <b>Cash and cash equivalents at beginning of year</b>  | <b><u>653,793</u></b>       | <b><u>673,308</u></b>    |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>  | <b>\$ <u>557,745</u></b>    | <b>\$ <u>653,793</u></b> |
| <b>Noncash operating, investing and financing activities:</b>  |                             |                          |
| Investments contributed to satisfy pledges   | \$ 58,095                   | \$ 52,861                |
| In-kind contributions  | \$ 93,441                   | \$ 65,151                |

The accompanying notes are an integral part of these statements.

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

**Note 1 - Summary of Significant Accounting Policies**

**A. Organization**

The United Way of Northeast Louisiana, Inc.'s (the United Way) purpose is to help people and improve the community. The primary source of funding is the annual campaign, which supports twenty-three not-for-profit agencies (partner agencies) and three grant agencies throughout Northeastern Louisiana. The Legacy Foundation was established in 1999 as a Standing Committee of the Board of Directors of the United Way to provide a way for people to make a significant and long-lasting improvement in the quality of life for future generations through planned giving and endowment building.

**B. Basis of Financial Statement Presentation**

The accompanying financial statements have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the statement of financial position and statement of activities for the period. Actual results could differ from those estimates. Net assets, revenues, expenses, gains and losses are classified based upon the existence or absence of donor-imposed restrictions.

**C. Cash and Cash Equivalents**

For purposes of the Statements of Cash Flows, the United Way considers demand deposits, time deposits and certificates of deposits with an original maturity of three months or less to be cash equivalents.

**D. Investments**

Investments are composed of money market funds and are carried at fair value. The Financial Accounting Standards Board's Accounting Standards Codification (ASC) Section 820 establishes the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted market prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC 820-10 are described as follows:

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

- Level 1**      Inputs to the valuation methodology are unadjusted quoted prices for identical assets and liabilities in active markets that the United Way has the ability to access;
- Level 2**      Inputs to the valuation methodology include quoted market prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3**      Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The investments held by United Way at June 30, 2013, are valued at quoted market prices and other relevant information generated by market transactions held by United Way at that date, and are considered to be level 1 in the fair value hierarchy.

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

The valuation methodologies used for these items, as well as the general classification of such items pursuant to the fair value hierarchy of ASC Section 820 encompass that investments are reported on the basis of quoted market prices and consist primarily of certificates of deposit, equity securities and fixed income securities.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future value. Furthermore, while United Way believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements within the fair value hierarchy.

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

**E. *Pledges Receivable***

The United Way's policy is to record pledge receivables when the pledges are received and represent amounts due during the next calendar year. The United Way uses the allowance method to determine uncollectible pledge receivables. The allowance is based on prior years' experience and management's analysis of specific pledges.

**F. *Property and Equipment***

Purchases of fixed assets and major improvements in excess of \$600 are capitalized at cost if the asset has a useful life greater than one year. Maintenance and repairs are charged to expense as incurred. The cost and related accumulated depreciation of assets sold or retired are eliminated from the accounts in the year of disposal, and any resulting gain or loss is included in operations. Depreciation is calculated on the straight-line method over estimated useful lives.

**G. *Allocations Payable***

During the year ended June 30, 2013, the United Way approved allocations to its partner agencies and notified them as to what their allocations will be through June 30, 2014. Therefore, the appropriate payable and expenses related to those allocations have been recorded and recognized in the accompanying financial statements as of June 30, 2013.

**H. *Compensated Absences***

Subject to management approval, unused vacation days may be carried over to the following year. Sick days may be accumulated to a maximum of 90 days depending on years of service. However, employees are not paid for any unused sick days upon termination. Accordingly, the financial statements do not include any accrual for sick pay.

**I. *Net Asset Categories and Contributions***

Annual campaigns are conducted each fall to raise support for agency allocations paid in the subsequent fiscal year. In accordance ASC 958-205, "Not For Profit Entities-Revenue Recognition", contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending upon the existence of donor-imposed restrictions. Campaign contributions, including unconditional promises to give, are recognized as support when made. Because campaign contributions are received on a calendar year basis, the first half of the campaign collections (January to June) is reported in Gross Campaign Results and is released

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

from restriction during the current fiscal year. The second half of the campaign collections (July to December) is reported in Gross Campaign Results but remains in temporarily restricted net assets at June 30<sup>th</sup>.

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor for specific United Way use are reported as increases in unrestricted net assets when the restrictions expire in the same year in which the contributions are received. All other donor-restricted contributions for specific United Way use are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. Temporarily restricted net assets are reclassified to unrestricted net assets when the restriction expires.

Donor-designated contributions for United Way's partner agencies or other agencies are considered agency transactions because the United Way does not have discretion over the distribution of these funds. Pass-through transactions do not result in contribution revenue or expense in the accompanying financial statements. When the United Way receives the assets, a corresponding liability is recorded to reflect amounts due to third-party beneficiaries.

*J. Donated Securities, Materials, and Services*

Donated marketable securities are recorded as support at their estimated market value on the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Capital items are recorded at their fair market value on the date of donation.

Under ASC 958-205, the value of contributed services and miscellaneous incidental materials meeting the requirements for recognition in the financial statements are recognized as revenues and related expenses for gifts-in-kind.

*K. Functional Expenses*

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Directly identifiable expenses are charged to programs and supporting services on the basis of periodic time and expense studies. Organizational Administration expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the United Way. Costs associated with the annual campaign and the Legacy Foundation are included in fundraising expenses.



**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

**L. Income Taxes**

The United Way is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code; therefore, there is no provision for income taxes in the accompanying financial. The United Way is subject to income tax examination by the Internal Revenue Service and the Louisiana Department of Revenue; however, there are currently no examinations in progress for any tax periods. The United Way is subject to income tax examinations for the years ended June 30, 2010, 2011, 2012 and 2013.

**M. Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Note 2 - Investments**

Investments at June 30, 2013 and June 30, 2012 include certificates of deposit and publicly traded mutual funds. Investments held were as follows:

|                         | June 30,          |                   |
|-------------------------|-------------------|-------------------|
|                         | 2013              | 2012              |
| Certificates of deposit | \$ 805,584        | \$ 805,000        |
| Equity securities       | 26,364            | 33,347            |
| Fixed income securities | 15,124            | 20,135            |
|                         | <u>\$ 847,072</u> | <u>\$ 858,482</u> |

For the years ended June 30, 2013 and 2012, United Way's investments (including gains and losses on investments bought, sold and held during the year) appreciated (depreciated) in value as follows:

|                         | June 30,          |                   |
|-------------------------|-------------------|-------------------|
|                         | 2013              | 2012              |
| Equity securities       | \$ (5,547)        | \$ (4,581)        |
| Fixed income securities | (416)             | (983)             |
|                         | <u>\$ (5,963)</u> | <u>\$ (5,564)</u> |

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

**Note 3 – Property and Equipment**

Property and Equipment are summarized by major classifications as follows:

|                                   | June 30,          |                   |
|-----------------------------------|-------------------|-------------------|
|                                   | 2013              | 2012              |
| Land                              | \$ 100,000        | \$ 100,000        |
| Building                          | 500,000           | 500,000           |
| Furniture, Fixtures and Equipment | 373,762           | 371,711           |
| Leasehold Improvements            | 79,510            | 79,510            |
| Leased Equipment                  | 13,446            | 13,446            |
|                                   | 1,066,718         | 1,064,667         |
| Less Accumulated depreciation     | (573,347)         | (524,386)         |
|                                   | <u>\$ 493,371</u> | <u>\$ 540,281</u> |

Depreciation charged to expense is \$64,795 and \$63,428 for the periods ended June 30, 2013 and June 30, 2012, respectively.

**Note 4 – Financing Arrangements**

The United Way renewed a \$200,000 line of credit on January 14, 2013. The line of credit is unsecured and had not been used as of June 30, 2013 and will expire on January 15, 2014.

**Note 5 – Board Designated and Restricted Funds**

**Board designated net assets are comprised of the following:**

**Legacy Foundation – Donor Advised**

The Legacy Foundation agreements allow donors to make outright charitable contributions to a fund that is used to provide charitable donations to qualified organizations. These funds are under the complete control of the United Way, but donors are allowed to make recommendations as to their distribution. These funds are classified as either unrestricted or temporarily restricted. The unrestricted Legacy Foundation is comprised of the following:

|                                | June 30,  |           |
|--------------------------------|-----------|-----------|
|                                | 2013      | 2012      |
| Unrestricted Legacy Foundation | \$ 43,422 | \$ 55,877 |

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

**Temporarily restricted net assets are comprised of the following:**

**Legacy Foundation**

The temporarily restricted Legacy Foundation is comprised of the following:

|                              | June 30, |          |
|------------------------------|----------|----------|
|                              | 2013     | 2012     |
| Kitty DeGree Designated Fund | \$ -     | \$ 1,263 |

**Annual Campaign Pledges**

Net campaign contributions received for future periods are considered to be temporarily restricted net assets. The campaign for the future year pledges represent the initial pledges received for that campaign and will be available for unrestricted use during the following calendar year. The following schedule recaps the Annual Campaign at Celebrating Excellence to the amounts recorded as temporarily restricted net assets for the annual campaign pledges.

|   | June 30,     |              |
|---|--------------|--------------|
|   | 2013         | 2012         |
|   |              | (Restated)   |
| Annual campaign                                   | \$ 3,631,659 | \$ 3,509,764 |
| Donor designations to United Way agencies         | (112,060)    | (133,693)    |
| Donor designations to non-United Way agencies     | (57,725)     | (79,529)     |
| Donor designations paid by third party processors | (167,569)    | (120,647)    |
| Donor designations by major donors                | (74,250)     | (74,250)     |
| Legacy Transfers                                  | (18,000)     | (17,500)     |
| Allowance for uncollectible pledges               | (233,428)    | (236,244)    |
| Campaign revenue                                  | 2,968,627    | 2,847,901    |
| Less amounts released from restriction (50%)      | (1,484,314)  | (1,423,951)  |
| Plus pledges for future campaign (100%)           | 40,238       | 6,625        |
| Campaign - temporarily restricted net assets      | \$ 1,524,551 | \$ 1,430,575 |

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

**Note 6 - History of Uncollectibles**

Generally, pledges that are uncollected after two years are deemed to be bad debts and are written off. The actual write-off percentages for the preceding years are presented in the following table. These percentages are based on total contributions pledged.

| <u>Campaign<br/>Year</u> | <u>Budget<br/>Year</u> | <u>Actual<br/>Write-Off</u> |
|--------------------------|------------------------|-----------------------------|
| 2011                     | 2012                   | 6.76%                       |
| 2010                     | 2011                   | 6.03%                       |
| 2009                     | 2010                   | 5.10%                       |
| 2008                     | 2009                   | 6.20%                       |
| 2007                     | 2008                   | 7.36%                       |
| 2006                     | 2007                   | 6.16%                       |
| 2005                     | 2006                   | 7.57%                       |
| 2004                     | 2005                   | 7.89%                       |
| 2003                     | 2004                   | 9.15%                       |
| 2002                     | 2003                   | 9.15%                       |

**Note 7 - Programs Services**

**A. Agency Funding**

The United Way Community Investment Volunteers communicate to the United Way Board of Directors funding recommendations to the various partner agencies to support programs throughout Northeast Louisiana.

**B. All Other Programs**

Various community initiatives are conducted directly by the United Way. The United Way is focused on creating lasting change in community conditions to improve people's lives through community initiatives such as:

United Way 2-1-1 - is a free, easy to remember, three-digit telephone number that gives people a fast, easy way to get connected to available services. In calendar year 2012, the United Way of Northeast Louisiana's 2-1-1 answered approximately 27,000 calls.

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

Community Investment - is a program of volunteers and staff of United Way who work with the partner agencies to ensure that United Way dollars are invested to produce the most effective results. They make site visits, gather information and evaluate programs year-round.

Community Impact-United Way of Northeast Louisiana is working to create lasting changes by focusing on the following building blocks we all need for a good life: education, income and health. Volunteers make recommendations on agency funding:

Under education, United Way's focus is helping children and youth achieve their potential. Our target issue is to increase graduation rates by focusing on reading at grade level by the third grade. In the pilot year of the United Way of Northeast Louisiana Volunteer Reading Initiative, Read.Learn.Succeed, 191 community volunteers read with 118 students in the 2<sup>nd</sup> and 3<sup>rd</sup> grade in 6 schools in our community for 1,313 reading hours in the 2012 - 2013 school year which resulted in an increase in reading levels of 86%.

Under income, United Way's focus is on helping hardworking individuals and families become more financially stable. Our target issues are increasing income, building savings, and gaining and sustaining assets by focusing on financial education for high school students. During the 2012 - 2013 school year, 1,442 high school sophomore students attended the Dollars and Sense Reality Fair on Financial Stability in 13 schools throughout the community. 100% of the desired outcomes related to students knowledge and attitudes about budgeting, spending and savings improved after participating in the Dollars & Sense Reality Fairs.

Under health, United Way's focus is improving people's health. Our target issues are increasing access to care and preventative health, and nutritional services for individuals and families. United Way health initiatives target wellness, nutrition and physical activity.

Basic and/or Emergency Needs- Although we're committed to making lasting changes in our community, we remain firmly committed to supporting a foundation of services that responds to basic and/or emergency needs such as food, shelter, medicine, and disaster relief.

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

**Note 8 - 401(k) Defined Contribution Plan**

The United Way has adopted a defined contribution plan pursuant to IRC Section 401(k). This plan covers employees who have reached 21 years of age and have completed one full year of eligibility service. Employer contributions to the plan are 5% for all eligible employees and will match an additional 2%. Employer contributions are allocated to each participant who either completes 1,000 hours of service during the plan year and who is employed on the last day of the plan year. The basis for allocation of forfeitures for terminated employees with unvested balances is the ratio a participant's compensation bears to the compensation of all participants. Unvested balances are allocated to each remaining participant who either completes 500 hours of service during the plan year or who is employed on the last day of the plan year.

The total pension cost to the United Way for the periods ended June 30, 2013 and June 30, 2012 was \$42,968 and \$35,622, respectively.

**Note 9 - In Kind Services and Materials**

Contributions of services and materials were reported as revenues and allocated between all program expenses. In-kind revenues and expenses were \$93,441 and \$65,151 for the years ended June 30, 2013 and 2012, respectively.

**Note 10 - Rental Agreement**

On April 16, 2012, the United Way entered into a one year rental agreement for leasing of its Ruston Location for \$1,000 per month. The initial lease period was for one year ending on April 16, 2013. The agreement also has two options to renew the lease for an additional twelve months per option at the same \$1,000 per month. The first renewal option has been utilized which expires on April 16, 2014. The remaining non-cancelable portion of the lease is \$10,000 as of June 30, 2013.

The same renewal option conditions applies to the second year whereby the lessor is to provide written notice to the United Way no more than 60 days prior to the expiration of the initial term whereby the United Way has thirty days to respond indicating its election to either exercise its renewal option or to decline it. Failure of the United Way to provide notice within the specified period will be interpreted as an election to allow the option to expire.

**THE UNITED WAY OF NORTHEAST LOUISIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

**Note 11 - Disclosures About Concentrations**

*Funding Sources*

Support from the most recent annual campaign represents approximately 90% of the United Way's total revenue. The United Way's annual campaign covers 12 parishes in northeast Louisiana with the largest concentration being Ouachita Parish and Lincoln Parish. The annual campaign in these two parishes represents a concentration of risk by geographic region and by the nature of the fund-raising activity.

Failure of the community to respond to the campaign or to fulfill their obligation could impact the United Way's ability to collect approximately \$1.47 million in pledges receivables. No collateralization is required by the United Way.

The top five campaigns account for 29.6% in campaign revenue and for 31.8% in pledges receivable.

**Note 12 - Restatement**

During 2013, it was discovered that \$44,937 in designations payable were omitted from the June 30, 2012 financial statements. Also discovered in 2013, a company campaign inadvertently reported \$16,238 on two different lines when it should have reported once and a \$10,000 donation that was originally reported as a designation but was an unrestricted donation.

The above referenced items have been corrected in the accompanying 2012 financial statements and resulted in a restatement of undesignated net assets in the amount of \$48,056, temporarily restricted annual campaign pledges net assets of \$3,119, and total net assets of \$51,175.

**Note 13 - Subsequent Events**

Management of the United Way has evaluated subsequent events through September 17, 2013 and it has been determined that no significant events have occurred for disclosure. September 17, 2013 is the date the financial statements were available to be issued.

# LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)  
CERTIFIED PUBLIC ACCOUNTANTS

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Lori Woodard, MBA, CPA, CGMA, CITP

## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

### Board of Directors

The United Way of Northeast Louisiana, Inc.  
Monroe, LA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The United Way of Northeast Louisiana, Inc. (a nonprofit organization, the United Way), which comprise the statement of financial position as of June 30, 2013 and 2012, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated September 17, 2013.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the United Way's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the United Way's internal control. Accordingly, we do not express an opinion on the effectiveness of the United Way's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be



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material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

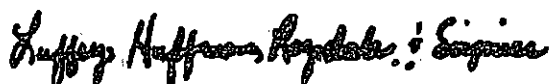
### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the United Way's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management of the United Way, others within the entity, certain State agencies providing funds to the United Way, and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



(A Professional Accounting Corporation)

September 17, 2013